



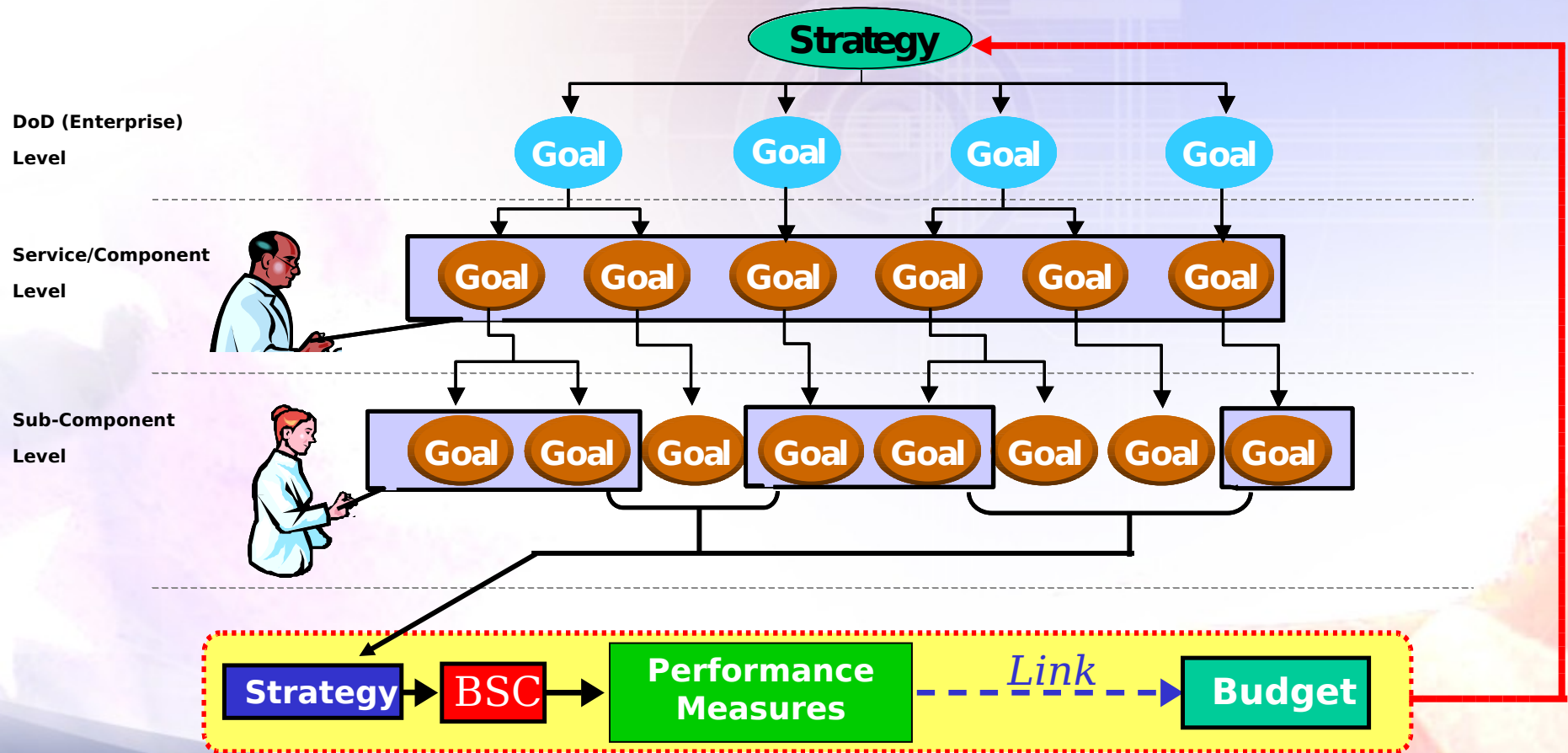
Evaluating Performance Measures

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Purpose

**To Introduce a methodology and taxonomy
for assessing and improving the quality of
performance measures**

The Cascading → Feedback Concept



The Risk Area Scorecard (Example)

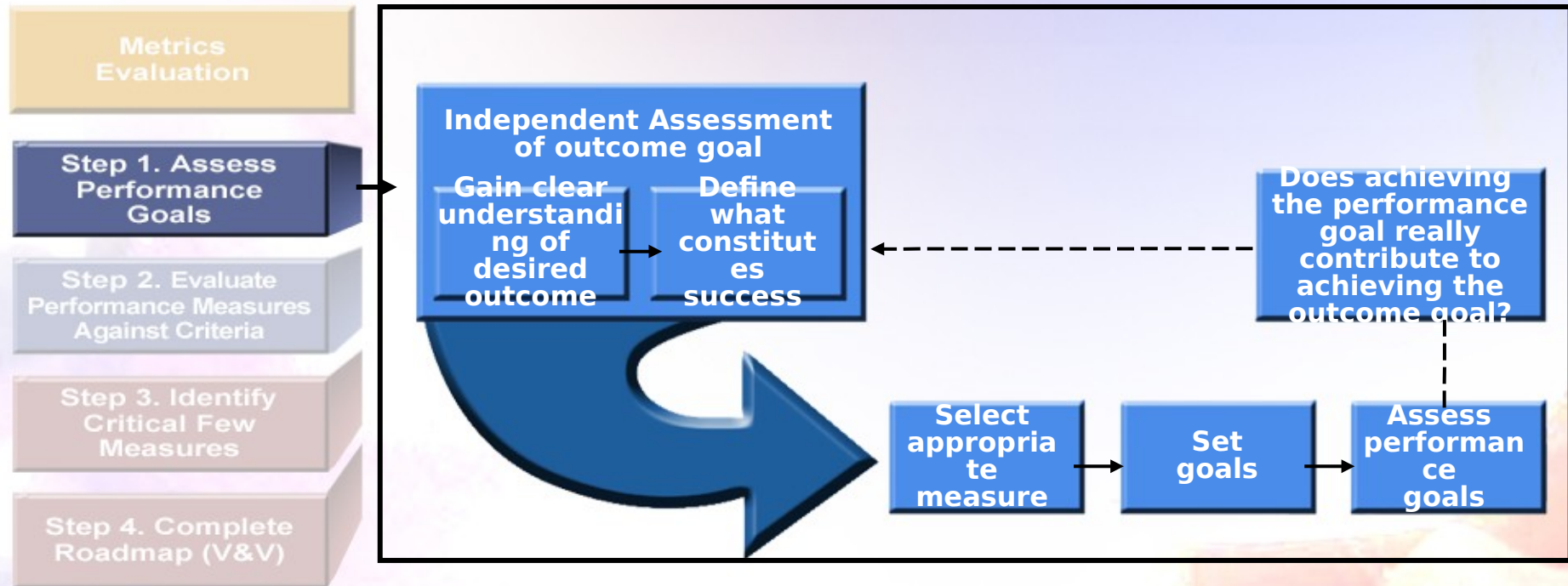


Evaluating Metrics

**Given
strategic
objectives and
goals...**



Evaluating Performance Goals



Measures Evaluation Matrix

Measure	Measurement Level	Qualitative Assessment								Aggregate Assessment		
		Relevant?		Specific?	Measurable?	Actionable?	Repeatable?	Time-bound?	Retain? Modify? Delete?	Lead or Lag?	Result or Activity?	Single or Indexed?
		Contribute to Goal?	Critical to Performance Measure?									
Define and meet non-core divestiture requirements (Y/N)	Perf Measure	Yes		Yes	Yes	Yes	Yes	Yes	R	Lead	Result	Indexed
% of non-core functions divested as planned	1st order Spt Measure	Yes	Yes	Yes	Yes	Yes	Yes	Yes	R	Lead	Activity	Single
% of military & civilian positions divested as planned	1st order Spt Measure											
Determine and meet core staffing requirements (military AC % RC) and civilians (Y/N)	Perf Measure											
% of completed manpower reallocations	1st order Spt Measure											
AC/RC forces right mix	2nd order Spt Measure											
Meet all civilian workforce management objectives (Y/N)	1st order Spt Measure											
Scores on PMA scorecard	2nd order Spt Measure											
% of civilian positions filled within time goal	2nd order Spt Measure											
% of 72 tasks completed in civilian HR strategic plan	2nd order Spt Measure											
% of critical skill positions filled	3rd order Spt Measure											
Meet military personnel requirements of transformed force (Y/N)	1st order Spt Measure											
#of tasks completed of Strategic Plan for Transforming DoD Training	2nd order Spt Measure											
% of 36 tasks completed of Military HR Strategic Plan	2nd order Spt Measure											
Implement optimal career patterns & service obligations	3rd order Spt Measure											
Implement new management paradigm for RC Personnel	2nd order Spt Measure											
On track: ID future critical sills (e.g., space cadre, FAOs, los)	2nd order Spt Measure											

Metrics Evaluation

Step 1. Assess Performance Goals

Step 2. Evaluate Performance Measures Against Criteria

Step 3. Identify Critical Few Measures

Step 4. Complete Roadmap (V&V)

Example

Measures Evaluation Criteria Glossary (BSC Best Practices)

Qualitative Assessment Criteria for Each Measure (SMART)

- **Specific** — Measure is clearly defined; easy to understand what it is measuring and how it is derived
- **Measurable (Quantifiable)** — Data supporting the metric must be (or will be) accessible in an objective, analytical/numerical form (even subjective data (e.g., survey data) should be quantifiable); targets can be established
- **Actionable** — Measure provides information that can be used to take action (e.g., change behavior, take management action, or stand up initiatives to transform the organization)
- **Repeatable** — can be calculated consistently over multiple collection periods
- **Time-bound** — specific time frame for the achievement of targets and the realization of goals

Aggregate Assessment -- Characteristics of Each Measure

- **Lead vs. Lag** — Lead = progress being made toward objective (performance driver); Lag = did or did not achieve objective (outcome measure)
[Should have a mix of both, but avoid having too many lagged indicators]
- **Result vs. Activity** — Result = change in performance (outcome); Activity = level of effort (output) [Should have more results than activities]
- **Single vs. Indexed** — Single = stand-alone measure; Indexed = combination of multiple different measures into a single indicator [Indexed measures should be used sparingly]

Risk Management Measures - Evaluation Criteria

(RSC Best Practices)



Select the “Critical Few” measures

- Determine the manageable set of measures that are:
 - Are most useful for decision-making for this goal or objective, or
 - Of special interest to the key decision maker

Develop Implementation Roadmap



- Important considerations for developing your measures:
 - Is data available? From where? How is it obtained?
 - Is data economical to collect? If not, what must be done?
 - How do verify, validate data (V&V)?
 - Is responsibility for data collection established?
 - Is accountability for results established?